



Report to Winchester City Council and South Downs National Park Authority

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an Inspector appointed by the Secretary of State for Communities and Local Government

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PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

REPORT ON THE EXAMINATION INTO THE WINCHESTER DISTRICT LOCAL PLAN PART 1 – JOINT CORE STRATEGY

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Examination hearings held between 30 October and 8 November 2012

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Abbreviations Used in this Report

AA	Appropriate Assessment
AHVA	Affordable Housing Viability Assessment
CS	Core Strategy
HMA	Housing Market Area
HRA	Habitats Regulations Assessment
LDS	Local Development Scheme
LP	Local Plan
MM	Main Modification
PUSH	Partnership for Urban South Hampshire
RS	Regional Strategy
SA	Sustainability Appraisal
SCI	Statement of Community Involvement
SCS	Sustainable Community Strategy
SDNP(A)	South Downs National Park (Authority)
SES	Strategic Employment Site
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment

Non-Technical Summary

This report concludes that the Winchester District Local Plan Part 1 – Joint Core Strategy provides an appropriate basis for the planning of the District over the next 20 years providing a number of modifications are made to the Plan. The Council has specifically requested that I recommend any modifications necessary to enable them to adopt the Plan. Nearly all of the modifications to address this were proposed by the Council and I have recommended their inclusion after full consideration of the representations from other parties on these issues.

The main modifications can be summarised as follows:

- Include a model policy containing a presumption in favour of sustainable development;
- Increase the new housing total for the district over the plan period to 12,500 (DS1/CP1), to reflect the capacity identified at North Whiteley (SH3) and in the Market Towns and Rural Area (MTRA 1/2) and achieve general conformity with the South East Plan (RS);
- Clarify the new employment land requirements for the district as about 20 hectares for Winchester in particular (CP8) and allocate Bushfield Camp (WT3) for employment uses, not as an “opportunity site”;
- Clarify retail policy, including for Winchester (WT1) and that Denmead is a Local not a District Centre (3.84) and;
- Revise policies (MTRA2, MTRA3, CP5 and CP12) and supporting text to meet the requirements of the Habitat Regulations.

Introduction

1. This report contains my assessment of the Winchester District Local Plan Part 1 (WDLP) in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard and then whether the Plan is sound and compliant with the legal requirements. The National Planning Policy Framework (para 182) makes clear that to be sound, a Local Plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my examination is the submitted draft plan of June 2012, which is essentially the same as the document published for consultation in January 2012.
3. The report deals with the main modifications that are needed to make the Plan sound and legally compliant and they are identified in bold in the report (**MM**). In accordance with section 20(7C) of the 2004 Act the Council requested that I should make any modifications needed to rectify matters that make the Plan unsound and thus incapable of being adopted.
4. These main modifications are set out in the Appendix. Those that go to soundness and all the other minor modifications proposed by the Council in the Schedule of Further Modifications – November 2012 have been subject to public consultation and I have taken all the consultation responses into account in writing this report. Therefore, based on the absence of effect on the overall aims, objectives and main elements of the plan as most concern clarity and effectiveness, I am satisfied that a further Sustainability Appraisal (SA) is not necessary in this instance.

Assessment of Duty to Co-operate

5. Section s20(5)(c) of the 2004 Act requires that I consider whether the Council complied with any duty imposed on them by section 33A of the 2004 Act in relation to the Plan's preparation. It is a requirement that the Council engages constructively, actively and on an ongoing basis with the County Council, neighbouring local authorities and a range of other organisations, including the Highways Agency, the Environment Agency and Natural England. In particular, the South Downs National Park Authority has been fully involved throughout and accordingly the document has been submitted jointly. It will therefore also represent their strategic planning policy until a new Local Plan for the Park is adopted in 2014; the work on which has started.
6. In the Duty to Co-operate Statement (SD9) and elsewhere the Council has satisfactorily documented where and when co-operation has taken place, with whom and on what basis, as well as confirming that such positive engagement will continue. This includes with all the authorities in the Partnership for Urban South Hampshire (PUSH) area and particularly with Fareham BC and Havant BC in relation to the strategic land allocations at North of Whiteley and West of Waterlooville, as well as North of Fareham, the importance of which cannot be overstated in terms of new housing delivery. In the absence of any indication to the contrary, I am satisfied that the duty to co-operate has been met.

Assessment of Soundness

Overview

7. This report takes into account changes to national planning law, policies and guidance that have taken place since the plan was first published. This includes the National Planning Policy Framework (NPPF) (March 2012), on which all parties had an opportunity to comment on the consequences for this plan and all the responses thereto have also been considered in this report.
8. At the time of writing, the South East Regional Spatial Strategy to 2026 (RS) (SE Plan) is extant and forms part of the development plan. Whilst very likely to be abolished soon, it must, for the time being at least, nevertheless still be taken into account by the Council (and everyone else involved). The plan must be in general conformity with its content and have regard to the evidence which supported it, if it is to be found sound. All references in this report to "the Council" should be taken to include the South Downs National Park Authority (SDNPA) as the plan has been submitted jointly.
9. Some criticisms were levelled at the form, nature and extent of the Council's consultation processes during the plan's preparation but the requirements of the Statement of Community Involvement (SCI) (January 2007) (CD 4) have been met in full. Moreover, the thoroughness and coverage of the various public consultation exercises was entirely appropriate (and in one element – Blueprint – the recipient of a national planning award) and satisfactory.

Main Issues

10. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings, I have identified twelve main issues upon which the soundness of the Plan depends. Representations on the submitted plan have been fully considered insofar as they relate to its soundness but are not reported on individually.

Issue 1 – Strategy, Vision, Sustainability

Policy DS1

11. The plan's spatial vision and objectives are consistent with the SE Plan and the Council's Community Strategy, having evolved alongside the latter since 2007. They take into account the existing characteristics of the district as a whole and define its constituent parts, including in terms of community needs and aspirations, as well as the duties and responsibilities associated with the SDNP. It is essentially common ground that Winchester is the single most sustainable location in the district for growth, with a strong local need for new housing. This has been acknowledged in the recent decision (October 2012) to grant planning permission for largely residential development at Barton Farm, to the north of the city centre, consistent with policy WT2 of this plan.
12. However, the general balance of distribution of new housing across the district also properly acknowledges the potential of the two other strategic housing land allocations at West of Waterlooville (SH2) and North Whiteley (SH3) as sustainable extensions to existing urban areas. These are in the PUSH growth

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area to the south of the district along the M27 corridor, with its existing and developing major employment opportunities and proximity to Havant, Portsmouth, Fareham and Southampton.

13. Taken in the round the strategy is capable of achieving general conformity with the SE Plan, although it does not follow a PUSH/non PUSH split as the three spatial areas identified are locally distinctive and compatible with key objectives. This also helps avoid overlaps and potential confusion with the PUSH strategy in clarifying what is required in each part of the district.
14. The amount of new development in Winchester itself is proportionate to its current levels of population, jobs and housing, as well as its district role as a service and retail centre and would help to maintain the latter. The relatively limited scale of new housing envisaged for settlements in the Market Towns and Rural Area (MTRA), compared to Winchester and the main strategic sites, confirms that reliance on the plan led approach through LP2 should not have a significant impact on the overall level of delivery across the district, despite the time necessary to complete that process.
15. Together with the concentration of growth into the local service centres in the MTRA, to help protect the landscape and conserve the countryside of the SDNP, the plan provides for a sustainable pattern of new development across the district over the plan period, including in respect of the general distribution of new housing between the three spatial areas. This conclusion is reinforced by the outcome of the ongoing SA/SEA process that has been properly carried out at each stage of the plan's progress to submission, including the realistic consideration of reasonable alternatives.
16. In the case of Winchester, Barton Farm has been consistently found to be the most sustainable location locally for a major new housing scheme, if a peripheral greenfield expansion of the city was deemed necessary. Both the North Whiteley and West of Waterlooville sites have also emerged from various studies over the years as more suitable in principle for development than other potential alternatives in the district, if and when a need arises.
17. In more general terms the final SA/SEA report (SD7) demonstrates that potential negative impacts of the strategy have been taken into account, with necessary changes made as part of an iterative process as the plan has developed, including at the earlier Issues and Options and Preferred Options stages. This also applies in respect of the HRA (SD8) and HRA Addendum (EB223), whereby additional policy safeguards are now included in response to concerns expressed by Natural England, amongst others. The SA/SEA report also reinforces the Council's judgement that a purely jobs/economic growth led strategy for the district would not satisfactorily meet other important plan objectives, with some potentially negative effects on the provision of services and facilities too.
18. The overall development strategy, relating to the three spatial areas of Winchester, the South Hampshire Urban Areas and the MTRA, is therefore essentially sound and positively provides for a sustainable pattern of growth in accord with national guidance in the NPPF. This would be achieved without reliance on over concentration in just one location, albeit about two thirds of the new housing would be on the three main strategic sites. Nevertheless, as put forward by the Council, various amendments to the wording of parts 1 and 2 of the plan are desirable for clarity. However, as they do not constitute

main modifications essential for soundness, in common with many other minor proposed modifications, they are not referred to in any detail in this report.

19. However, in order to fully reflect and comply with the NPPF, the plan needs to have the text of para 1.42 converted into policy, as part of the framework under which all other policies will operate. It should therefore become the first part of policy DS1 (**MM 1**). It is also essential for clarity and the effectiveness of implementation and monitoring that the new housing requirement for each part of the district and thus the total over the plan period is clearly set out in a policy. To that end, an appropriate addition to policy CP1 is essential for soundness (**MM 1**). For reasons dealt with later in this report, the new housing numbers in policies SH1, WT1 and MRTA1/2 also require amendment to properly reflect conclusions on related issues.

Issue 2 – Economy, Employment, Retail

Policies CP8, CP9 and WT3

20. In accord with guidance in the NPPF, notably para 21, the Council now accepts the necessity of specifying in a policy the amount of new employment land likely to be needed in the district over the plan period. The latest version of a series of employment studies (2011) (EB302) advises that only 15.7ha of new land is likely to be necessary by 2031 in the light of the present difficult national economic circumstances and current commitments. This is in contrast to earlier reports in more buoyant times (2007) when the requirement was estimated at around 84ha, nearly all of which (74ha) was identified for B1 office and high tech uses, with 20ha approx. for Winchester itself.
21. Apart from evidencing the difficulties of forecasting, these reports nevertheless have some consistent themes, including that the city itself is, effectively, the most sustainable location in the district for new employment development, rather than all being concentrated in the PUSH area to the south close to the M27 corridor. It is generally acknowledged that the latter area, in common with the MTRA, has differing characteristics and needs in relation to employment, compared to Winchester. There is also the need to improve the balances of commuting in and out of Winchester, as well as provide a wider range of employment opportunities generally, acknowledging the present over reliance on public sector jobs, to help improve the local economy.
22. It is also relevant that there is to be no new employment land at North Whiteley under policy SH3, given existing commitments nearby, such as at the Solent Business Parks. Moreover, the district cannot rely on new job provisions at North Fareham, even though it adjoins the boundary, as there is no specific agreement to this effect with Fareham BC under the duty to co-operate, notwithstanding the joint working in respect of the delivery of this strategic development area.
23. Although a material reduction in the amount of floorspace normally occupied by each employee has been identified in recent studies, there is no firm evidence to justify the claim that there has been "a permanent loss of economic capacity" in the district as a result of the recent recession. Furthermore, other evidence, albeit earlier (2007/9) (EB 306 and EB 307), suggests that Winchester in particular retains significant potential for economic growth and that this has been constrained by a lack of suitable sites/premises and restrictive planning policies.

24. Both the Council's Community (CD1) (2010) and Economic Strategies (EB303) (2010), as well as the Vision for Winchester, recognise the need to provide new high quality employment in the city, attract private sector investment and take advantage of opportunities for new local jobs in growing sectors such as business services, creative/cultural industries and the knowledge economy.
25. Bearing in mind the relevant national guidance in the NPPF and that the PUSH employment land requirements can essentially be met from existing commitments in this district, the case for new employment land provision in the city is based not only on generating job growth, changing the city's employment profile, positively influencing commuter flows and boosting the local economy, but also on providing for likely medium to longer term needs over the plan period in the generally most sustainable location in the district.
26. This reflects the trend based nature of the latest projections and the strong arguments for allocating more employment floorspace over and above that requirement to ensure that the city and the district are in a better position to respond to emerging opportunities as the economy improves. It should also reduce the risks of some of the other problems identified occurring or getting worse over the plan period, as referred to in para 6.15 of the plan.
27. In the light of all of the above, policy CP8 and para 6.14 need to be modified by altering the amount of new employment sought to "about 20ha", rather than "at least 15.7 ha" (**MMs 2/19**). This would provide more flexibility and potentially 1,500 to 2,000 new jobs locally, according to the Council's evidence (EB 306), as well as further support for the allocation of Bushfield Camp in Winchester as a new employment site under Policy WT3 (see below). It would also comply with the relevant national guidance in the NPPF in relation to the development needs of business and the economy generally (notably paras 20 and 21). However, as with retail (see below), an early review of the district's requirements for employment land and premises would be desirable, if and when there is a significant improvement in local economic circumstances.

Retail

28. In relation to retail, the Council's evidence base, updated in 2012 (EB301), now indicates that district requirements for new floorspace in the short term at least (up to 2018 or so) would be fully met by existing commitments, notably in Winchester town centre. Nevertheless, despite the inevitable uncertainty involved in longer term predictions, particularly at a time of difficulties in the national economy, it also suggests that some new growth, again especially in Winchester, may well be necessary in the medium to long term.
29. In such circumstances, the Council's intention to conduct an early review (to be completed by 2020/21 at the latest) represents a pragmatic and sensible approach to a complex and evolving situation. This would also allow the respective impacts of schemes in the pipeline, such as the new town centre at Whiteley and the new supermarket at Bishop's Waltham, as well as in Winchester itself, to be properly assessed.
30. The scale of new retail provision currently underway at Whiteley takes into account the needs of the new housing allocated in this plan, as well as other local commitments. There is therefore no justification for an additional allocation of retail floorspace on a strategic scale at present. With Whiteley as a town centre, the district retail hierarchy in policy DS1 is now consistent with

the relevant NPPF guidance and the SE Plan. Any limited retail growth on a non strategic scale in the MTRAs to help meet local needs can and should be considered in the LP2, as the Council intends.

31. Consequently, despite the absence of specific floorspace figures, as advised in the NPPF, taking all of the above into account, it is reasonable to conclude that the plan is generally sound in its policy approach to local retail issues. Notwithstanding, the second main point of policy WT1 requires clarification (**MM 3**) and it would be wise for the Council to carry out an early review of longer term retail floorspace requirements, particularly for Winchester itself and its town centre, as indicated.

Policy WT3 – Bushfield Camp

32. This partly brownfield site of around 43ha in total lies close and is well related to the existing built up area of the city. It also has good road access, including to J11 of the M3 motorway and the nearby Park and Ride (P&R) facility. It largely comprises a former military camp with the remnants of some structures, including large areas of hardstanding, still present in the south central area. There are also numerous groups of trees on and around it, some of which are strong features in the local landscape context. Only the formerly developed central section of around 20ha of the total site is considered suitable, in principle, for redevelopment by the Council.
33. The site is clearly visible from parts of the SDNP to the east, notably the prominent local landmark, with public access, of St. Catherine's Hill. However, much of the city is also seen from this viewpoint, including numerous modern buildings as well as the historic ones, such as the Cathedral. Moreover, the local landform and the backdrop of trees to the west, as well as those on and around the site itself, would help to limit the visual impact of any new buildings here on the historic/landscape setting of this part of Winchester. Policy WT3 properly recognises the importance of ensuring that any new built development respects the local landscape sensitivity of the location close to, but outside, the SDNP and within a local gap, in terms of high quality design, layout and landscaping, as well as new building heights.
34. The majority, but not all, of the site is subject to a current Village Green designation application that is making its way through the courts. However, this is an entirely separate legal process that will be judged on very different criteria compared to whether or not it should be identified as an opportunity site or allocated for new employment development in this plan.
35. Clearly, a full transport assessment of any proposed scheme would be essential, incorporating likely contributions to necessary road improvements locally, including in respect of J11 of the M3, as well as for improved walking, cycling and public transport services, potentially linked to the nearby P&R facility, as referred to in policy WT3.
36. The various studies undertaken to date indicate that, notwithstanding certain environmental constraints that must be fully addressed in any detailed scheme, not least any effects on the R. Itchen SAC nearby for which a further, project level, HRA will be necessary, the general form of scheme envisaged in the plan is likely to prove deliverable over the plan period. With about 20ha of new development, the scheme is also capable of providing around 23ha as a major new area of public open space at little or no cost to the public purse.

37. The site, and particularly the 20ha to be allocated for development within it, has a relatively low amenity interest, in itself, with those areas of higher environmental value to be precluded from development and protected in perpetuity through public ownership for recreational uses. In such circumstances, it is appropriate that the plan takes a positive approach to the future of the site and makes a formal allocation of 20ha for new employment use, with the remainder as public open space to serve the city.
38. Many other potential new employment sites in and around the city may prove to be suitable, in principle, for other uses, such as housing. With those higher land values for alternative uses, they are therefore less likely to create new local jobs over the plan period. Given that the Council fully endorses the need to broaden and diversify the economy of the city, as referred to in the plan, this site represents the most sustainable, realistic and deliverable option for new employment land provision at present.
39. In the absence of any comparable site in and around the town that is currently available or sequentially preferable in sustainability terms, policy WT3, as amended, would provide an opportunity for a new HQ building for a major company and/or a business cluster of sufficient size to be sustainable, once established. This should help to reduce local reliance on public sector jobs and have a positive impact on the commuting issue, in accord with national policy, given that the NPPF contains numerous references to positively promoting economic growth, including by identifying new development opportunities.
40. In view of the current uncertainty relating to the realistic delivery prospects of a specific "knowledge" or science park type scheme on the developable part of this site, in relation to local/sub-regional need/demand, the site should be allocated principally for employment uses. In the absence of any overriding environmental constraints that cannot be satisfactorily addressed through suitable avoidance/mitigation measures as part of an overall scheme, it is only by positive planning, in the sense of allocating a significant part of the site for new employment related development, as part of a comprehensive scheme, that the longstanding uncertainty over its future seems likely to be resolved.
41. An allocation for employment in the plan should not only increase certainty and help encourage new inward investment, but also address those factors identified in the recent Academy of Urbanism report on Winchester (Sep 2011), such as an imbalanced economy, as well as high commuting flows. In particular, such a comprehensive scheme would secure the provision of the larger part of the site for recreational use in perpetuity at little or no cost to the Council (or other public bodies) at a time of economic austerity. The realistic prospects for its delivery by other means for the foreseeable future are doubtful at best. This would materially help to address the present shortage of public recreational land in and around the city, also referred to elsewhere in this report.
42. Importantly, the proposals would also make a significant contribution to implementing the plan's overall objectives through positively and proactively encouraging sustainable economic growth by identifying a strategic scale site to meet local needs over the plan period. This would comply with the guidance in para 21 of the NPPF to provide a clear economic vision and strategy for the area, amongst other things.
43. Consequently, taking into account the Council's own proposed modifications to

the text of the comprehensive list of relevant criteria to be met by any scheme and the inclusion of the additional para of supporting text at the end, subject only to changing "identified as an Opportunity" to "allocated as an Employment" (**MM 20**), policy WT3 is considered sound in all respects. Consequential changes are also required to the text of paras 3.39 and 3.40 for consistency.

Policy CP9

44. The plan's strategy that only a relatively small increase in new employment floorspace across the district will be required over the plan period relies, at least in part, on the retention of most, if not all, existing employment sites and buildings, rather than their loss to other uses. Although the word "viability" does not appear in the policy wording, it may be clearly implied from everything that is set out, including the word "reasonable", that issues regarding the economics of redevelopment for existing, alternative and mixed uses would always have to be taken into account in relation to any proposals to which policy CP9 would apply.
45. With this in mind, together with the guidance in para 22 of the NPPF, the policy criteria are suitable and appropriate tests that would allow for exceptions, if justified by site specific circumstances and other relevant material considerations, but otherwise help to ensure that sufficient land and premises in sustainable locations remains to properly support the local economy. Accordingly, the policy is sufficiently flexible and no changes are necessary for soundness.
46. In the light of all of the above, the possible allocation of additional employment land in the vicinity of Botley station, whether or not related to the provision of the by-pass, is a non strategic matter for the LP2 to address. This should take into account the local implications of the PUSH area strategy and the delays surrounding the major Eastleigh Riverside employment scheme in the adjoining borough, amongst other things. Elsewhere in the MTRAs, as proposed by the Council, LP2 is also the appropriate vehicle to assess the requirement for any further limited employment allocations in particular settlements to help meet local needs at the non strategic scale.

Issue 3 – Housing General

Policies CP1, WT1 and SH1

47. The extant SE Plan (POL1) (2009) has a requirement of 12,240 new dwellings for the district from 2006 to 2026 to meet housing needs. Notwithstanding the impending revocation, this plan has to remain in general conformity with that expectation, as well as addressing the objectively assessed local need for new housing in accord with the NPPF (para 17). In particular, the Council's most up date figures relating to affordable housing (EB124) (2012) indicate a requirement of around 370 units per year in the district.
48. Albeit somewhat dated, the extensive technical evidence underlying the SE Plan requirements remains relevant and reinforces the conclusion that residential development pressures are only likely to increase in adjoining areas if Winchester district does not fully address its own needs. Providing suitable and available capacity can be identified, without compromising other important objectives of the NPPF, such as the protection of the SDNP, there is no

49. The SE Plan figure is equivalent to 612 new houses per year. Albeit rolled forward 5 years from 2026 to 2031, a district total of 11,000, as submitted, would deliver an average of only 550 annually; effectively a reduction of about 10%. Although 550 a year would be materially greater than the recent average from 2001 to 2011, of about 486, based on the Council's affordable housing requirement figures (EB124) (2012) a total of 11,000 new homes would not provide appropriately for objectively assessed local needs.
50. Fortunately, the Council's work to date has identified potential capacity for at least 2,500 new houses in the MTRA by 2031 (see issue 8 below), rather than just the range of 1,500 to 2,500 units in the submitted plan. The higher figure has also been taken into account in the strategic level SA/SEA through the plan process so far. Given that all the larger settlements to which the main figures in policy MTRA 2 would apply are outside the SDNP, there should be no great difficulty in securing more than sufficient new housing land allocations to readily meet that higher figure over the plan period through the LP2 process to which the Council is committed.
51. Moreover, the Council has acknowledged that the final total capacity of the proposed strategic site at North Whiteley, where a new town centre is nearing completion, is very likely to be more than the 3,000 units referred to in the submitted plan. Importantly, this would be so without needing to extend the site area already identified and assessed. It is also fully endorsed by the assembled consortium of experienced developers that stands ready to deliver the scheme and their professional advisors. Subject to suitable avoidance and mitigation measures being included to secure environmental/nature conservation interests, as required in policy SH3, a higher total of about 3,500 new houses is realistically deliverable by 2031.
52. Significantly, plan modifications to reflect these facts would not directly affect the new housing figure for Winchester itself. Nor would they result in an imbalance in growth between the three spatial areas set out in the plan, bearing in mind the total numbers involved, and that the plan's overall strategy would not be altered to any significant degree. For example, the percentage of new housing in Winchester would only reduce from around 36%, coincidentally almost exactly the same as its current percentage of the district's population, to around 32% or one third of the district total. Furthermore, all the available evidence indicates that infrastructure provisions would also be adequate or can be made so economically in connection with growth, for these somewhat higher numbers, as would other services, including water supply.
53. A total of 12,500 and an average rate of new housing delivery of 625 over the plan period would represent the positive approach to sustainable development required by the NPPF as it would reflect objectively assessed local needs for affordable housing. Moreover, the additional 2% or so would allow for a limited buffer of new housing land supply, as recommended in the NPPF (para 47). It would also help to take into account the likely upward movement of household growth in the medium to longer term if the economy improves from its present low base. A revised total of 6,000 new units in the two main site allocations outside Winchester (not 5,500) would also be closer to the implied housing target for the PUSH growth area of the district in the most recent South Hampshire Strategy document (OD28) (October 2012).

54. The population projections used by representors to justify higher housing figures for the district (up to about 15,000 by 2031) essentially rely on a specific level of future job growth being required. They are essentially based on the premise that the only way of meeting that job growth over the plan period is through increased in-migration that would require extra housing. In contrast, demographic based projections, largely based on ONS and DCLG methods, as used by Hampshire County Council for the Council, are less dependent on job forecasts and labour force projections that are inherently difficult to produce and affected by many uncertainties in the longer term.
55. This applies not least in respect of the performance of the local and national economy over time, compared to births and deaths, for example. Moreover, new jobs do not necessarily have to be filled by in migrants, given alternative sources such as lower local unemployment, later retirement and increased activity rates, including amongst the elderly/recently retired, as well as improved skills and training.
56. Therefore, a total new dwelling target of 12,500 across the district from 2011 to 2031, with a delivery rate of 625 per year on average, is considered to be realistic, as well as positive in terms of the economic growth of the district. This is so not only in relation to past delivery rates locally, albeit a material "step change" upwards, but also the reasonably assessed capacities of the main three strategic sites allocated in the plan and their realistic implementation prospects, including in respect of economic viability. Moreover, it would be generally consistent with the Council's "stronger housing market" scenario considered in Appendix D of the Housing Background Paper (BP1) (June 2012).
57. Importantly, it should enable an annual affordable housing delivery rate of around 250 units to be achieved. It would also take into account the 100 or so new units per year that the Council presently intends to help deliver using its own resources, as confirmed at the hearings, and the contributions from other small rural schemes in the MTRA under policy MTRA 4.
58. All of the above should be sufficient to meet local affordable housing needs within the first 10 years or so of the full plan period, given the scale of existing and projected demand as well as the current backlog (BP2) (June 2012). The latter is of a magnitude that renders it incapable of realistic resolution within 5 years, taking into account an assessment of the likely resources to be available, the capacity of the local house building industry and the ability to sell the associated market housing in the current economic conditions.
59. It is relevant to note that no neighbouring Councils have raised concerns over the proposed level of new housing under the duty to co-operate, or in other respects, other than in relation to some matters of implementation. The plan, as modified, would not give rise to implications for others to accommodate development that is not being provided for in Winchester. This is borne out by reference to the extensive consultations at earlier plan stages, including in respect of realistic alternative options having been considered.
60. The alternative to make the plan end date 2026 not 2031 but with the same new housing total would fail to acknowledge that the major strategic sites identified may well need up to 20 years to be delivered in full. Moreover, the Council is proposing to review the plan no later than 2020/2021 in any event. Nor is there any need for an additional strategic allocation around Winchester

as this could well unbalance the district strategy and ignores the fact that the SHLAA has identified capacity in and around the town to “make up the numbers” of a total of 4,000 new dwellings by 2031, also including current commitments and the likely continuing contribution from “windfalls”. The plan as modified would also include effective monitoring of delivery of new housing in each of the spatial areas so that necessary adjustments could be made if required to assist in achieving the necessary delivery rates.

61. No allowance for any new dwellings to be provided in the smaller (MTRA3) settlements or the SDNP is made in the plan. This is consistent with the NPPF and provides additional flexibility in relation to overall new housing delivery, as most villages are likely to accommodate a few new dwellings to meet local needs by 2031, even in the SDNP. It is also relevant that two of the three main strategic sites now have planning permission and that no better or more sustainable alternatives to North Whiteley (SH3) have been put forward by representors or demonstrated by evidence.
62. In relation to the usual debate about how new housing numbers should be defined in the plan, those generally favouring development seek the use of “at least” or “a minimum of”, whilst those essentially opposing growth largely favour “up to” or “a maximum of”, or variants thereof. Faced with criticism that the submitted plan is not consistent in having various different terms throughout, the Council now proposes to use “about” in all instances.
63. On balance, this provides the limited degree of necessary flexibility in a strategic level plan, not only in relation to the city and the main strategic sites in particular, but also regarding the split between the three constituent spatial areas of the district over the plan period. Accordingly, it is considered to be suitable and satisfactory to assist implementation, in accord with the NPPF's guidance, including in the event of a major difficulty arising in respect of the delivery of one of the main strategic sites (**MMs 1, 15 and 29**).

Issue 4 – Housing Policies

Policy CP2

64. Amongst other evidence, the various iterations of the SHMA (EB124) and the Viability Study (EB117) confirm that a mix of size and type of new dwellings is needed across the district. Nevertheless, the policy should not be over-prescriptive, so as to allow for local circumstances and scheme viability to also be taken into account. Accordingly, and given that a significant percentage of new demand will arise from “newly formed households and people looking to downsize” (LP1 para 5.15), the Council now accepts that the word “family” should be deleted from the third part of the policy (**MM 16**).
65. The provision of a range of new housing across the district should help to meet the needs of the increasingly ageing population and Appendix E relating to infrastructure also refers to the provision of extra care housing. Thus, a separate/additional policy to quantify this need or require the specific allocation of sites to meet it is not necessary in a strategic plan, albeit further consideration can be given in LP2 if particular local difficulties arise.

Policy CP3

66. In accord with the national guidance in the NPPF, policy CP3 on affordable

housing is properly qualified in respect of viability so that site specific circumstances and current/local market conditions will be taken into account alongside the 40% target. This figure is supported by the evidence in the AHVA (EB110) (2010) and latest Housing Needs Assessment (EB124) (2012). It has applied to recent permissions granted at Barton Farm (WT2) and West of Waterlooville (SH2). Although all policies must be read together, for clarity the Council now acknowledges the need for greater consistency in relation to affordable housing between this policy and those specifically relating to the strategic allocations, as dealt with elsewhere in this report (**MMs 3/6**).

Policy CP4

67. It is essentially common ground that this policy provides an opportunity to help meet specific local housing needs, especially in the more rural parts of the district and utilising the Council's previous experiences in bringing forward such schemes. Notwithstanding, as proposed by the Council, some minor changes to the wording of the submitted version are necessary for effectiveness, including to better define those circumstances in which tenures other than affordable housing for rent might prove acceptable, depending on the economics of provision. These changes provide the greater clarity now sought by the Council to help increase delivery from the 60 or so units provided last year.

Policy CP5

68. In the light of the government's Planning Policy for Traveller Sites (March 2012), the Council has amended this policy, including to acknowledge that a new local needs assessment is being undertaken jointly with most other Hampshire authorities. This will inform both LP2 and the South Downs National Park LP, in which pitch/plot targets will be set out and sites to meet those needs allocated. This is clearly less than ideal, given that the Council has been aware of a district need for significant additional provision since at least the preparation of the South East Plan Partial Review (June 2009). Nevertheless, in all the relevant local circumstances, including the date of the original data on which the Review was based and the longer timescale of this plan, this information is no longer considered to form a robust evidence base.
69. Consequently, rather than delay this plan to await the new needs assessment and delivery of the important strategic housing sites accordingly, the Council's proposed course is the most suitable way forward, given the current unsatisfactory position. Subject to a modification put forward to clarify the need to protect all designated areas (**MM 17**), the criteria set out in policy CP5 are appropriate and provide a reasonable method for assessing relevant proposals before LP 2 is adopted.

Policy CP6

70. Without detracting from the importance of retaining existing local services and facilities, if at all possible and particularly in the more rural parts of the district, it has to be acknowledged that some may need to be reorganised, replaced and/or relocated, if they are to be viably retained, and that some may no longer be needed. Accordingly, all the criteria in policy CP6 to test such proposals are considered appropriate but, as the Council now accepts, it is necessary for soundness to also refer to those situations where a loss forms part of a wider plan that is of greater overall benefit (**MM 18**).

71. Similar considerations apply in respect of open space, sport and recreation. Therefore, the Council has added a second point, to be taken into account when assessing schemes involving any loss of such facilities, regarding the sum of advantages to the community being weighed against any harm arising.

Issue 5 – West of Waterlooville

Policy SH2

72. Following various permissions, development has commenced on this strategic site. It is therefore reasonable, in principle, to conclude that delivery should proceed in accord with the Council's expectations set out in the Appendix F trajectory, including in respect of affordable housing and the overall total of new dwellings (including those in Havant Borough). Nevertheless, it remains essential for clarity to confirm that "about 3,000" new dwellings are anticipated, in line with the most recent permissions, in policy SH2. It would be confusing to qualify this by also referring to "about 2,350 in Winchester district in the plan period" to reflect those already built or words to that effect (**MM 7**). Additional text has also been proposed by the Council in new paras 3.61 to 3.63 to provide an up-to-date picture on this site.
73. In line with earlier recommendations related to flexibility, particularly to reflect ongoing viability considerations, the 40% affordable housing target should be expressed as an expectation, rather than an absolute requirement in all circumstances. Hence "will" is replaced by "should" in policy SH1 (**MM 6**).
74. The overall objective of completing a sustainable urban extension to Waterlooville, with a viable commercial area, confirms the importance of making substantial provision of new employment land within the scheme. Nevertheless, given the long timescale of delivery and the difficulty of clearly establishing any particular local needs, including in relation to job numbers, it is realistic to provide some flexibility around the specific amount required. Therefore, "about" should replace "at least" in the third policy point (**MM 7**).
75. Although the number of new dwellings anticipated is likely to generate sufficient extra pupils to need two new, standard sized, primary schools on site, education provision is often flexible in relation to existing capacity nearby, catchment areas, parental choices, local birth rates and so on. Therefore, in circumstances where the County Council as education authority has accepted in a legal agreement that there is some flexibility, it is reasonable to reflect that in the policy. Consequently, the last point should say "primary school places", rather than, specifically, "two primary schools" (**MM 7**). Otherwise, the policies and proposals for this area are sound.

Issue 6 – North Whiteley

Policy SH3

76. This strategic site of just over 200 ha is in a sustainable location close to major employment areas, including the Solent Business Parks, and a soon to be completed town centre also serving the existing housing areas to the south. Importantly, it also provides the opportunity to finally deliver a second road access to the area, by linking Whiteley Way to Botley Road to the north.

However, this needs to be to a different design and alternative alignment to that which already has planning permission, to avoid passing through some of the more environmentally sensitive parts of the site.

77. Together with new schools, it is effectively common ground that the new road link to the north should be fully delivered as early as possible in any building programme. This is so that vehicular access, except for buses, is no longer restricted to coming in and out of the area through Junction 9 of the M27, which is congested in both morning and evening peak periods. This situation, together with the relatively high level of car dependency locally and the somewhat restricted nature of the bus services in the area, all confirm the importance of a full Transport Assessment to support any planning application.
78. As the policy says, this must include a comprehensive assessment of the existing access difficulties and proposals for improvements, including to Junction 9, as well as other parts of the road network locally and public transport services (both bus and rail), plus walking and cycling. In recognition of concerns expressed by the Highways Agency (who have no improvement schemes planned for either Junction 9 in particular or this stretch of the M27 in general at present), amongst others, the Council now proposes changes to both the policy and supporting text to ensure that these matters are fully and properly addressed in the context of any planning application (**MM 8**).
79. With these modifications, policy SH3 would be clear, with no further text required, on what is necessary in transport terms to deliver a sustainable urban extension to Whiteley, including a full package of improvement and mitigation measures. Although not all the necessary detailed technical analysis on transport is as yet fully complete, the work undertaken to date is sufficient to demonstrate a very strong likelihood that all the necessary transport elements of the overall scheme would be practically and economically deliverable. Also taking into account the supporting text, this policy and the proposals for North Whiteley would be appropriate and justified, in general terms, to demonstrate that a strategic land allocation is suitable and satisfactory, in principle.
80. Providing the road link to the north would inevitably increase vehicle movements on the already constrained A334 route through Botley village, including a narrow section at Mill Hill for example, as well as having a negative effect on local air quality. There is already an identified potential by-pass route for the village, which has been safeguarded for around 20 years and is estimated to cost about £30m to build at current prices.
81. However, Hampshire County Council as highway authority does not currently consider that the effects of the increased traffic from the North Whiteley scheme on Botley would be sufficient to justify implementation of the by-pass for transport and/or environmental reasons. In particular, the main route destinations for journeys by new residents and others are likely to be to the south, east and west, including to the main centres of Portsmouth, Fareham and Southampton, rather than the north/north west. Consequently, there is no reasonable expectation that the developers of the site should make a contribution towards by-pass construction, albeit other transport mitigation measures for Botley are likely to be required as part of the overall project.
82. In such circumstances, and in the absence of any firm technical evidence to the contrary, it seems wise for the Council to retain the safeguarding of the

intended route (under saved policy T12 of their former Local Plan), as proposed, pending the final outcome of the full transport assessment required under this policy and other work currently being undertaken for Eastleigh Borough Council. Given that the existing status of the route would not be altered, for the time being at least, there is no reason to modify the plan to refer specifically to the Botley by-pass, other than the clarification now to be included in para 3.51 (**MM 5**). Nor would it justify a delay to the allocation of the strategic site as suitable, in principle, for new development as a result.

83. The fact that clay reserves on the site may be limited in extent/depth and of a quality that restricts their possible uses does not obviate the need to properly examine the potential for prior extraction before any new built development that might “sterilise” them, commences. Therefore, the requirement to this effect that the Council has added is necessary to accord with national policy.
84. Whilst it is appropriate that a range of types and sizes should be provided as part of a large new housing scheme in any event, an expectation that this should be “aligned to support the existing employment opportunities in the locality” as in para 3.66 is unreasonably detailed. Moreover, it is also unrealistic in terms of effectiveness in that definition is likely to prove difficult and divisive, potentially delaying delivery, as well as complicated to monitor, even if that can be done without disproportionate resources proving necessary. Accordingly, this part of the plan's text is not sound (**MM 8**).
85. In recognition of the inability to finalise the primary health care requirements of the new community in the absence of a detailed proposal, including in relation to existing local facilities, the Council properly proposes adding “, as required,” to the second point of the policy (**MM 8**).
86. Regarding affordable housing, the need for flexibility over targets to take into account economic viability, in accord with national guidance in the NPPF (e.g. para 173) is acknowledged by the Council in modifying policy SH1 to refer to “is expected to”, rather than “will”. In North Whiteley in particular it must also be borne in mind that many, if not all, of the site specific requirements listed in policy SH3, notably the completion of Whiteley Way and the new school provision, are not only “non negotiable” in principle, but also “essential at an early stage of development” if it is to be a sustainable urban extension.
87. This clearly has implications not only for the financing of the scheme but also for the delivery of those other infrastructure requirements that have the greatest influence on overall viability, such as the percentage, total and type of affordable housing. Whilst the new “affordable rent” model should help in this respect, as the evidence of the developer's consultants predicts there may well have to be a certain prioritisation of infrastructure requirements by the Council and others to ensure continuing scheme viability, potentially on a staged basis over the plan period. Nevertheless, this is a matter to be addressed at the planning application stage and does not require any change to policy SH2 or its supporting text, as there is no doubt that the scheme is generally viable and deliverable even under current market conditions.
88. The Strategic Flood Risk Assessment (EB212) confirms that the new built development envisaged can be provided entirely on Zone 1 land. All the Zone 2 and 3 areas would be kept free of significant new building and retained as either open space, woodland or as part of the extensive general provision of green infrastructure. Consequently, the Environment Agency is content with

89. Regarding surface water drainage, the largely impermeable soils mean that SUDS features will need to be provided within the development. The available evidence indicates that this can readily be done with a 100 year design period and a 30% allowance for climate change, as endorsed by the Environment Agency. The Council has now included an appropriate additional point in the policy to reflect this conclusion. Accordingly, there is no reason to expect an increase in flood risk elsewhere arising from the development and the proposals therefore comply with policy CP17 in this respect too.
90. At present, the plan refers to "at least 3,000" new dwellings (para 3.65) and acknowledges that a higher number may well prove achievable in due course, subject to suitable avoidance and mitigation measures being delivered in relation to nearby internationally designated sites of nature conservation interest, amongst other things. It is reasonable to conclude from the SA/SEA work carried out so far, amongst other things, that those very necessary measures are unlikely to vary greatly in scale, extent and/or cost whether the overall scheme is "at least 3,000" or "about 3,500" units in total.
91. Taking into account the overall size of the site and the technical analysis already undertaken, as well as the existence of a building consortium that stands ready to deliver the scheme, there is every indication that a higher total of about 3,500 new dwellings could be provided over the full plan period. Given that it is realistic, the higher figure would help to provide an improved degree of flexibility for new housing delivery over the district as a whole. It would also assist the viability of the overall project, as the available evidence is that, on the cumulative basis on which it must be considered in accord with the NPPF, the affordable housing percentage sought may have to be reduced somewhat, initially at least, in the present economic circumstances.
92. As the scheme is presently envisaged, the most environmentally sensitive parts of the total site have been excluded from consideration for any new built development. Nevertheless, the site is close to the Upper Hamble Estuary and Woods Special Protection Area (SPA), which is also part of the Solent and Southampton Water Special Area of Conservation (SAC). Arising from the Habitats Regulations Assessment (HRA) work carried out to date in examining the potential impacts of the overall proposals on the nature conservation interests of these designated areas, the policy rightly requires a more detailed, project level, HRA, when site specific proposals are available.
93. In particular, this needs to include a full range of avoidance and mitigation measures for all qualifying species present and in relation to all relevant criteria, including regarding any increased recreational pressures on the R. Hamble and the Solent, both from this development and in combination with other nearby sites. It would also need to take into account the specific recommendations of the Solent Mitigation and Disturbance Project (OD 9), which is designed to ameliorate the impacts of growth across the sub region, with a final report anticipated during the first half of 2013, as well as relevant local hydrological factors.
94. Only around half of the approximately 200 ha site would be subject to new built development in any event and consequently there is more than sufficient space to provide very generous levels of new green infrastructure of varying types (including to attract dog walkers). Furthermore, whilst not directly

comparable in respect of the relevant nature conservation interests potentially affected, the scale would be comfortably in excess of that deemed necessary to achieve similar nature conservation objectives in areas such as the Dorset and Thames Basin Heathlands.

95. Bearing in mind the Council's proposed changes to this policy and its supporting text, as well as Map 7, this reinforces the judgement that adequate avoidance and mitigation measures for nearby designated sites in all appropriate respects are realistically capable of being provided as part of the overall scheme. This includes in regard to access to the internationally protected sites around the R. Hamble, as endorsed by Natural England.
96. Both Natural England and the Environment Agency, as the relevant statutory bodies, are satisfied that, given the large areas of land, plus extensive areas of existing woodland adjoining, available to provide alternative recreational space for new and existing residents, a suitable, viable and deliverable package of measures can be provided. In particular, Natural England have endorsed the HRA process to date and specifically the AA undertaken of the North Whiteley strategic allocation at submission stage (SD8), as well as the changes made to policy SH3 as a result (**MM 8**). Accordingly, no materially harmful impacts, including in respect of water and air quality, should arise for the international and nationally designated sites nearby and, in principle, there are no outstanding environmental reasons why the site cannot be allocated for development in a strategic level plan.
97. In the light of all of the above and taking into account the difficulty of definition, it is not reasonable or justified to require "exceptionally" high standards for the avoidance/mitigation proposals in the policy or that open space provision should "significantly exceed" normal requirements under other plan policies. However, it is necessary to ensure that the measures are managed and retained in perpetuity if they are to be effective and the Council proposes a suitable addition to the policy wording accordingly (**MM 8**).
98. Moreover, it remains essential to ensure that a fully detailed analysis is properly completed in connection with any specific scheme. As modified, policy SH3 is now sound in this respect and in full accord with the relevant national guidance in the NPPF (notably paras 113, 117 – 119 and 176). In the light of all of the above, the allocation of the site for new development of about 3,500 new dwellings is therefore sound, in principle, at this stage of the planning process, in advance of any detailed scheme being prepared.

Issue 7 – Barton Farm, Winchester

Policy WT2

99. Outline planning permission for 2,000 new dwellings and associated development has recently (October 2012) been granted on this strategic site, consistent with policy WT2. Given the lack of any land assembly issues, there is every indication that construction should start as soon as all relevant matters of detail are resolved. Consequently, new housing delivery should proceed as envisaged in the Council's trajectory in Appendix F of the plan. A modification to the policy wording is necessary to reflect the up-to-date position, in that a phasing plan is now sought rather than assuming development will commence from the south, as it may not (**MM 4**).

100. There is one outstanding issue to be resolved, as the extent of land east of the railway line to be provided as green infrastructure in connection with the outline permission does not include a small area in the south eastern corner and west of Courtenay Road. This lies outside the present built up area boundary of the town, as firmly defined by the rear gardens of existing housing, and will remain so once the Barton Farm scheme is completed with the new built development on land west of the rail line. Notwithstanding a clear line of vegetation along its northern boundary, this area is, effectively, both visually and physically, currently part of the open countryside at present. This close relationship will not be significantly altered by the new development to the north west across the strong boundary formed by the rail line.
101. The Council's Green Infrastructure Study (EB202) (2010) highlights the current shortfall of open space serving the town, which will not be entirely overcome by the new provision associated with the Barton Farm scheme. Moreover, the small area in question is unlikely to form a viable agricultural entity on its own, divorced as it will be from any adjoining farms or holdings. In such circumstances, it is appropriate that a countryside designation continues to apply to this area. Accordingly, no change to the plan is required for soundness in respect of this matter.
102. It is also suggested that land to the north of Barton Farm, beyond Well House Lane, should be allocated for development in this plan to provide about 500 more new dwellings and around a further 20 ha of employment uses, in addition to WT2. However, in the absence of any detailed assessment of the likely environmental, landscape and/or infrastructure implications of such a scheme, let alone a SA, it is not possible to conclude that this site has any realistic delivery prospects for such proposals within a reasonable timeframe.
103. Furthermore, the identified scale of need in Winchester over the plan period, in accord with the overall strategy of the plan, is capable of being met at Barton Farm and elsewhere in and around the town under policies DS1 and WT1. As such, there is simply no need for a new or significantly extended strategic land allocation in this location, on a greenfield site in the open countryside, that will only even adjoin the built up area of the town on one side once the Barton Farm scheme is complete. Again, therefore, no change to the plan is required in respect of this matter. In conclusion, the policies and proposals for this strategic site are appropriate and justified, clear and deliverable.

Issue 8 – Market Towns and Rural Areas

Policies MTRA 1 and MTRA 2

104. The spatial strategy for this area relies largely on focussing most new development in and around local service centres, whilst also meeting the purposes of the SDNP and promoting the rural economy. As now amended by the Council, policy MTRA 1 sets out a suitable general approach to achieve these objectives, as endorsed in the SA/SEA. The four tier settlement hierarchy has evolved gradually from the 2006 Local Plan (POL2), through various consultation stages during the overall plan process and, importantly, now also takes into account the twelve principles listed as guidance in para 17 of the NPPF.
105. The Council's capacity work to date, including the SHLAA (EB104) (2011), has indicated some potential for new housing in nearly all of the district's market

towns and larger villages to meet local needs without compromising the plan's other important sustainability objectives. It would also be consistent with the aim of achieving a sustainable pattern of development across the district for some new housing to continue to be built in the relevant rural service centres and their supporting settlements, in accord with the plan's overall strategy.

106. With this in mind and taking into account conclusions reached elsewhere in this report regarding total new housing numbers over the plan period, including the use of "about" to provide some flexibility, it is unclear and unsatisfactory in strategic terms for policy MTRA 2 to refer to a range for new housing in the market towns and rural areas, both overall and individually. This is particularly so when each settlement is soon to be assessed in detail for specific sustainable development options as part of the LP2 process, including a review of gap and settlement boundaries. Moreover, it is the upper level figures of the ranges which are needed to meet the projections in the still extant SE Plan and local affordable housing needs, given that it is clearly unrealistic to assume zero net in-migration in this district over the plan period. The SA/SEA of the plan included the higher figures in the MTRA.
107. Accordingly, the plan needs to identify more specific targets for new housing delivery in the relevant area up to 2031 for clarity and to assist delivery. All the available evidence (as well as a simple addition of the figures in the ranges set out in MTRA 2 for the eight main settlements alone) shows that the higher figures should be readily achievable over the next twenty years. The altered figure would also facilitate greater consistency with the requirements of the SE Plan across the district in terms of new housing delivery and some back up in the event that the annual new housing delivery on the main strategic sites does not actually achieve the high levels envisaged in the Council's housing trajectory. Policy MRTA 2 should therefore be modified accordingly (**MM 13**), with consequential modifications to paras 3.87 and 3.97 (**MMs 11/12**).
108. In strategic terms, outside the SDNP but as "gateway locations" to it, both Bishops Waltham and New Alresford are clearly sustainable locations for new development to meet local needs, with a wide range of services and facilities serving rural hinterlands, as well as reasonable public transport links that are capable of improvement. Initial studies, including the SHLAA (EB104) (2011), indicate that both are realistically capable of accommodating some new housing within their present built up areas, as well as on suitable greenfield sites adjacent to existing settlement boundaries, so that there is capacity for about 500 dwellings at each over the plan period. Notwithstanding their position at the top of the settlement hierarchy, any significantly higher new housing allocations for either or both would risk an over-concentration at these locations that might unbalance the rural development pattern and the ability of smaller settlements to meet their own local needs for new housing.
109. At the next level a target of about 250 new dwellings each for the other six named settlements would properly reflect past levels of development, recent population projections and public consultations through the Blueprint exercise, amongst other things, including the SHLAA. The revised policy would allow for some minor deviation above and below the target figure, according to relevant local circumstances. It would also provide the opportunity for limited expansion to help meet local needs, including supporting existing facilities and some economic/commercial growth, where appropriate, as well as providing for local families and the increasing numbers of elderly people to help retain a balance of population (**MM 13**).

110. All individual land allocations and site specific issues, including regarding employment land/premises and retail uses in the MTRAs, as well as the details of open spaces and gaps between settlements, are essentially matters for LP2. This includes the review of all MTRA 2 settlement and gap boundaries, taking account of the above, as part of a plan led approach, in accord with the NPPF.
111. In relation to Wickham, there are existing local development constraints relating to surface water flood risks and the capacity of the waste water treatment works pending improvements not planned before 2017. Consequently, the settlement's specific capacity and local needs for new housing, together with the contributions that development might make to necessary infrastructure improvements, are clearly matters for consultation, consideration and conclusion as part of the LP2 process and not this plan.
112. Notwithstanding and irrespective of proximity to the Fareham SDA, there is no firm evidence to demonstrate that Wickham cannot fulfil its designated role in the district's settlement hierarchy over the plan period which would justify any change to the identified number of new dwellings in the plan. On the other hand, in the light of all of the above, nor is there any present justification for seeking to bring forward new housing schemes in advance of the full LP2 process or to increase the allocation to reflect the fact that, as a district centre, Wickham's retail facilities are of a higher order than many other settlements of similar size.

Policy MTRA 3

113. The list of settlements included in this policy and the implications thereof have been queried in some instances, such as Twyford, Sparsholt and East Stratton, as well as Otterbourne and Littleton. However, the district's settlement hierarchy properly applies to areas within the SDNP as to those outside it, without in any way altering the legal duties and responsibilities applicable in the former. The fact that this plan has been submitted jointly by the SDNPA provides further confirmation that there is no reason to alter this or any other policies to achieve any greater level of protection of the Park's assets and qualities than would already be provided in the plan, as modified.
114. In all other respects the application of particular policies to individual settlements largely reflects their position under present policies in the 2006 Local Plan but also now has to take on board the guidance in the NPPF regarding rural areas. Based on all the factors taken into account by the Council, including population, service levels, public transport and links to larger centres, there is insufficient evidential justification for any changes to the lists of settlements or the overall hierarchy.
115. Nevertheless, in accordance with the April 2012 Local Plan Regulations, it would be possible for the Council to amend the lists as part of the LP2 process should a strong case for any such change emerge, without having to review this plan first. Consequently, the lists in MTRA 3 are not necessarily set for the full plan period. They could be adapted to better fit specific local circumstances should the need arise through the LP2 process or the South Downs National Park Local Plan, when the future of all the MTRAs settlements will be subject to greater scrutiny of site specific issues than is necessary for a strategic level plan. For clarity in relation to settlement boundaries it is necessary to delete "existing" from the first part of the policy and to make the same change as elsewhere in the plan regarding the protection of designated

116. In the absence of any strategic need for new housing in the smaller settlements, or the wider countryside to which policy MTRA 4 applies, there is no assumption that existing boundaries there would need to be reviewed. Nevertheless, scope exists for specific local needs to be met if clear community support is forthcoming. This policy is therefore considered to be generally consistent with the NPPF, notably paras 28 and 55, as well as reasonably and realistically capable of implementation.

Policy MTRA 4

117. Part two of the policy is not entirely consistent with national guidance in para 55 of the NPPF in excluding new residential conversions, unless for affordable housing. However, the relevant special circumstances in the district at present include that proposals for the conversion of existing rural buildings to new market housing only would be very likely to proliferate, due to high demand in an area of attractive landscape, much of which is within the SDNP.

118. For many buildings, this would inevitably be at the expense of alternative schemes for the other potential uses listed in the policy that would normally contribute more to the social and economic well being of the area and the SDNP, as well as positively assisting the implementation of national guidance in para 28 of the NPPF. It might also result in the need for more rural buildings across the landscape to meet the requirements of agriculture and other legitimate rural businesses. Accordingly, in these specific local circumstances, including the extent of the SDNP in the district, on balance, the case for a particular policy approach that differs from para 55 of the NPPF to a limited degree is considered sound and consistent with para 28 of the NPPF.

Policy MTRA 5

119. Despite its important tourism role in the local economy, given its location in the SDNP there is no need or justification for any special or different policy treatment for Marwell Wildlife Park, beyond what is already included in the plan under this generally positive policy.

Conclusions

120. In response to criticisms of some details in the submitted version, the Council has responded with suitable proposed additions to the supporting text for the MTRA policies. Notably, this includes changes to clarify responsibilities in relation to the SDNP, which covers much of the area, and also to better reflect national guidance in the NPPF. There is also further text relating to retail provision in the area, including that Bishops Waltham, New Alresford and Wickham, but not Denmead, are "District Centres" and clarifying how any new retail schemes should be assessed (**MM 10**). In addition, further additions are included to assist the implementation of the economic strategy, with complementary changes to the policy wording in MRTA 1.

121. Similarly, two new paras would now follow MTRA 2 to clarify how it is to be implemented, including through the LP2 process. With these modifications, policies MTRA 1 – 5 inclusive are considered to be sound and consistent with both the NPPF and the SE Plan.

Issue 9 – Environment [Policies CP11 – CP14]

Policy CP11 and Policy CP12

122. The Council has an extensive evidence base, including the Renewable Energy Study (2008) (EB208), the up to date Viability Study (2012) (EB101) and the 2012 BP3, to support the challenging targets set out in policies CP11 and CP12 on Low/Zero Carbon and Renewable Energy respectively. The district presently has one of the highest per capita carbon footprints in the South East, as well as water stress, and this situation is recognised in the Council's Community Strategy (CD1) (2010).
123. The proposed policies would also be essentially consistent with the extant SE Plan, notably policy CC4 (and NRM1), as well as the non statutory PUSH sustainability framework and the equivalent policies of neighbouring authorities such as Southampton, Fareham and New Forest, albeit not Havant. Despite the additional cost burden arising, the relevant evidence indicates that, taking into account the full range of likely contributions as required by the guidance in the NPPF, most new development would remain viable at current values.
124. Taking into account the modifications that the Council now puts forward, to include reference to "allowable solutions" in the first point of CP11 (and the consequent deletion of the second point) (**MM 22**) and the clarification relating to areas designated for their international, national and/or local importance in the first point of CP12 (**MM 23**), both policies are reasonable and realistic regarding implementation across the district. Both are generally consistent with the expectations and guidance in paras 93 - 98 of the NPPF in setting out a proactive strategy, as well as making a positive contribution to the overall sustainability of the plan as a whole, in taking account of climate change over the long term. Accordingly, both are considered to be sound in this particular local context, albeit revision may be necessary if and when new national guidance is produced by central government.

Policy CP13

125. The criteria set down in this policy, to be augmented by more detailed guidance in LP2 in due course, should assist in securing high quality design for all new development in the district and each is relevant and appropriate in this context. Subject to the minor rewording modifications proposed by the Council for clarity, this policy is therefore considered to be sound.

Policy CP14

126. This policy requires schemes to maximise the development potential of all sites, particularly in urban areas, but subject to high quality design that responds to the general character of the area. This locally defined approach is consistent with the national guidance in the NPPF (para 47), albeit not always an easy balance to achieve in practice. Nevertheless, any use of minimum (or maximum) densities would reduce the flexibility to help deliver suitable outcomes that are well related to their surroundings. Whilst some rewording and reordering is necessary for clarity of interpretation and implementation, the policy is essentially sound in this strategic context (**MM 24**).

Issue 10 – Environment [CP15 – CP20]

127. As proposed to be modified by the Council, this policy is positively worded and consistent with the NPPF's guidance, notably in paras 99 and 114, as well as including appropriate references to the water bodies of nature conservation interest in the district. Based on the robust evidence in the Green Infrastructure Study (EB202) (2010), it is closely aligned with both the PUSH Green Infrastructure Study (OD36) (2010) and the Implementation Framework (OD34) (2012). Together with the revised supporting text, it is also suitably linked with other relevant policies of this plan, such as CP7, and those for the strategic sites, as well as in relation to biodiversity, the water environment and climate change. Accordingly it is sound and should prove effective in delivery terms.

Policy CP16

128. The submitted version of this policy has been updated from earlier ones to reflect the outcome of the SA and HRA processes, as now endorsed by the most relevant environmental agencies. It is therefore consistent with section 11 of the NPPF and supported by both the Council's Biodiversity Action Plan and Community Strategy. Nevertheless, as now acknowledged, it is also essential to update both policy and text to refer to the anticipated outcomes of ongoing studies, such as the Solent Disturbance and Mitigation Project, which is expected to report in 2013, albeit there is no need to list each individually in a strategic policy, if only because they may be superseded or become outdated over time.

129. Reference to the strategic approach to air quality is also required, for the reasons given in the proposed additional text (**MM 25**). With these modifications and taking into account the other relevant policies, including those concerning the strategic sites, the plan's overall approach on biodiversity and related matters is considered sound and should prove effective in practice.

Policy CP17

130. Both the Council's Strategic Flood Risk Assessment (EB212) (2007) and the PUSH document (OD14) (2011) provide a solid underpinning for this policy, which is supported by the Environment Agency. The Council's recent additions to the text, including a reference to the new joint Local Flood Risk Assessment for Hampshire, and particularly the clarification of the application of the sequential test in the first point of the policy would ensure consistency with the NPPF. With these changes the plan is sound at the strategic level in respect of the water environment, including regarding flooding and flood risk.

Policy CP18

131. There is an effective consensus that the implementation of a major development area (SDA) at North Fareham on the borders of the district clearly justifies, in principle, the designation of a new strategic gap between the SDA and Knowle/Wickham, as identified on Map 8 under policy SH4.

132. However, the policy and its supporting text are also quite clear that all the other gaps listed will be subject to review as part of LP2 in relation to local development needs, amongst other things, which will supersede the 2006

Local Plan. The text already includes the full criteria set out in the PUSH "Policy Framework for Gaps" (OD35) (Dec 2008), which will be applied to help ensure a consistent approach across the area. Therefore, there is no need for this strategic plan to include any further, more detailed or local guidance as to how the review should be carried out in practice.

133. The relationship of Twyford to Winchester and its location within the SDNP means that it neither justifies nor needs the definition of a new strategic gap. This is particularly so given its position in the settlement hierarchy of the district, whereby any significant new greenfield development on its periphery is unlikely to be appropriate in policy terms in any event.
134. In Denmead, as in and around all towns and villages throughout the district, the detailed definition of specific boundaries for any settlement gaps and protected open spaces will take place in conjunction with the allocation of any necessary new land for development to meet district and local needs, in addition to the strategic sites, as part of the LP2 process. It is not a matter for this strategic level plan.
135. Moreover, as clarified by the Council at the hearings, the phrase "only development that does not physically or visually diminish the gap" implies that some which is generally appropriate to rural areas will meet that test. It is also not intended to preclude, in principle, the provision of suitable new infrastructure of an appropriate scale and extent, where it is necessary to help deliver strategic and other development that is otherwise acceptable under other relevant plan policies

Policy CP19

136. The supporting text to this policy specifically sets out the statutory purposes and duties of national park designation and, as submitted, this is a joint plan fully endorsed by the South Downs National Park Authority. Accordingly, there is no clear evidence to indicate that the impacts on the park and its environs have not been properly taken into account by the relevant authorities during the long plan preparation process.
137. Bearing in mind all the other relevant plan policies that also apply, including those temporarily "saved" from the 2006 plan pending LP2, and the national guidance in the NPPF, policy CP19 is considered to provide an entirely sound basis for assessing any proposals affecting the SDNP and its surroundings. It should also support its social and economic well being over the plan period. Details of local land management policies for the park as a whole or particular parts are not a matter for a strategic level plan such as this one.

Policy CP20

138. In response to English Heritage, the Council has recently included suitable and satisfactory additions to both the policy wording and supporting text to clarify their approach to heritage assets throughout the district and provide consistency with the NPPF in this respect.
139. The possibility of a Green Belt being defined around Winchester would have to involve the identification of an inner boundary which leaves space for sufficient new land for development to come forward, at the appropriate time, to meet long term needs well beyond the timescale of this plan. Given the SDNP to

the east, this would presumably affect land on the periphery of the existing built up area to north, west and south of the town. It would therefore partly prejudice complex decisions about the long term future of Winchester that the Council is not in a position to realistically make at the present time. Nor should they in the absence of full consultation on and consideration of all the possible options that are practically deliverable.

140. In conjunction with the NPPF, the current suite of policies in this plan and elsewhere available to the Council is more than sufficient to ensure that inappropriate and/or unsustainable development proposals in and around Winchester are unlikely to progress, during this plan period at least. The heritage assets and landscape character of the town and the district as a whole should receive appropriate protection accordingly. Therefore, there is no current necessity for a Green Belt around the town.

Issue 11 – Transport

Policy CP10

141. Notwithstanding criticisms of a lack of sufficient action on implementation to date, notably in Winchester itself, the aims and specific wording of policy CP10 are suitable and appropriate for a strategic plan. Importantly, the policy is entirely consistent with the priorities and objectives of the Hampshire Local Transport Plan (OD40), which has the same end date, and the relevant national guidance in the NPPF (e.g. paras 17 and 30). Moreover, in relation to cycling at least, a recently approved District Cycling Strategy and the construction of National Cycle Route 23 through the town indicates that some funding is being utilised to back up the objectives for Winchester, albeit more still needs to be done, not least in relation to car parking locally.

142. Partly by focussing development in large scale urban extensions, with existing public transport services that are capable of improvement, the plan's strategy is sufficiently positive in encouraging the use of modes other than the private car. This is particularly so bearing in mind the content of other policies, including DS1 and those relating to the strategic sites. In particular, policy CP10 should help to ensure that the development of the three main areas of new housing includes the necessary on site facilities to make them sustainable locations in their own right and, where necessary, also delivers effective off site improvements, including to the strategic road network, if appropriate.

143. Nevertheless, the addition of a new para (before 6.25) to the supporting text, as proposed by the Council, would assist effectiveness and implementation (**MM 21**). Specific highway concerns relating to North Whiteley, including the future of the Botley by-pass scheme, are addressed under Issue 6. There is no need to specifically refer to that proposal in this general policy.

Issue 12 – Infrastructure, Delivery, Flexibility, Monitoring, Implementation

Policy CP21

144. Following the 2011 Infrastructure Study, the 2012 Infrastructure Delivery Plan (EB106), which involved full consultation with providers and others, confirms that there is no overall constraint to the delivery of the plan's overall strategy. However, a number of key infrastructure elements, including in relation to the

strategic road network and specifically the M3 and M27 motorways, have been identified. The 2012 Viability Study (EB101) has examined the provision of these essential requirements and others on a cumulative basis, as required in para 173 of the NPPF, and concluded that they are economically deliverable.

145. This includes in respect of each of the strategic sites, as documented in the relevant Background Papers (BP5, BP6 and BP7). Accordingly, it may be concluded that there is clear, robust and up to date evidence to justify that the proposals in the plan can be realistically delivered with the necessary supporting infrastructure over the plan period.
146. Consultations with the local water companies have confirmed that, notwithstanding the district's status as part of a "water stress" area, in common with large parts of SE England, there is adequate supply capacity to meet the needs of the new development proposed in the plan, including for each of the strategic sites and elsewhere. As now to be modified to reflect practical and viability concerns, (**MM 22**), policy CP11 takes into account the requirements of the Code for Sustainable Homes (CSH).
147. Questions relating to specific household waste disposal facilities, including on the strategic sites, such as North Whiteley, are a matter for the emerging Hampshire Minerals and Waste Plan, taking into account the levels of new development over the plan period and the relevant national regulations. Nevertheless, the Council's proposed addition to para 3.73 to confirm the need for additional provision in connection with the strategic housing development at North Whiteley (policy SH3), albeit not necessarily on site, is desirable for clarity (**MMs 9/28**).
148. A plan has to have sufficient flexibility to respond to changing circumstances, not least in respect of the national and local economy, over the plan period. Therefore, it is essential to include modifications that ensure the plan's policies avoid being inflexible. For example, "will" has to be amended to "should" (or similar) in respect of affordable housing provision, to allow for the potential cumulative effects of various other infrastructure requirements on economic viability to also be taken into account (**MMs 3/6**).
149. This is reinforced by the ongoing importance of monitoring, including regarding delivery on the three strategic housing sites, as now recognised by the Council through significant earlier additions to App D of the plan and a modification to para 8.5 (**MM 27**). Amongst other things, this would require other sources of supply to come forward in the event of difficulties or delays with delivery of one or more of the main sites. Given the Council's commitment to review it around 2020/2021 in any event, the plan may be judged as sufficiently flexible and therefore likely to deliver on its objectives over the plan period.
150. Criticisms of policy CP21 in relation to developer contributions for mitigation and avoidance measures needed to protect designated sites can be addressed by adding a new last point to para 7.57, as the Council proposes (**MM 26**). This refers appropriately to "protect, avoid or mitigate harm", as well as "local, national or international importance", regarding designated areas. It is not necessary to also list specific sites or areas (whether in Winchester district or nearby) for this to be effective, given the requirements of the Habitats Regulations, nor to link it directly to any specific current studies or reports, as they may become out of date or be superseded at any time.

Assessment of Legal Compliance

151. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The Local Plan Part 1 is identified within the approved LDS July 2012 which sets out an expected adoption date of March 2013. The Local Plan Part 1's content and timing are compliant with the LDS.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in January 2007. Consultation has been compliant with the requirements therein, including on the Council's post-submission proposed 'main modification' changes (MM).
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Appropriate Assessment (AA)	The Habitats Regulations AA Report (2012) plus Addendum (2012) (MM 30) concludes that the Local Plan Part 1 will not have adverse effects on the integrity of European sites alone or in combination with other plans and programmes and sets out why further AA will be necessary at the project level.
National Policy	The Local Plan Part 1 complies with national policy, except where indicated and modifications are recommended.
Regional Strategy (RS)	The Local Plan Part 1 is in general conformity with the South East Plan, except where indicated and modifications are recommended.
Sustainable Community Strategy (SCS)	Satisfactory regard has been paid to the SCS.
2004 Act (as amended) and 2012 Regulations.	The Local Plan Part 1 complies with the Act and the Regulations.

Overall Conclusion and Recommendation

152. The Plan has a number of deficiencies in relation to soundness for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the Act. These deficiencies have been explored in the main issues set out above.

153. The Council has requested that I recommend main modifications to make the Plan sound and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the Winchester District Local Plan Part 1 satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

Nigel Payne

Inspector

This report is accompanied by the Appendix containing the Main Modifications.